

**Minutes, June 24, 2004 meeting
Drinking Water Program Funding Committee**

In attendance

Rick Stadelman, Wisconsin Towns Association; Lawrie Kobza, Municipal Environmental Group; Boyd Possin, Wisconsin Groundwater Association; David Denig-Chakroff, Wisconsin Water Association; Ken Blomberg, Wisconsin Rural Water Association; Jill Jonas, Don Swailes, Deb Lyons-Roehl, Lee Boushon, WDNR.

Purpose

To discuss stable funding options for the Drinking Water and Groundwater program. This is a follow up short-term ad hoc committee that was formed from the June 16 meeting of statewide stakeholders.

This meeting was to discuss ideas and options; no detailed decisions were made.

What group members can support:

- There has to be GPR funding for program—the entire public benefits, which is exactly what GPR is for. Clean, safe drinking water supports tourism, economic development and public health.
- If fees are considered, they should be fee-for-service; there are many concerns about the money being siphoned off to pay for activities that are not connected to the program. Fees should be used for this program only.
- Costs of running fee-for-service program covered by fee package.
- Do not lose present GPR because of fee package.

Action steps before 7/8 meeting:

- DG staff is to come up with rough figures for the next meeting. Some things group would like to see:
 - Estimates on how much we spend on different segments,
 - How fee revenue comparison is handled between fee payers,
 - DG staff is to find out what other types of fees are out there.
- Notes will be posted on the web site @ www.dnr.wi.gov/org/water/dwg.

Options for stable funding

GPR

- The group was firm in its belief that GPR money should pay for Drinking Water and Groundwater programs. Everyone in the state benefits from the program and the quality of our drinking water and groundwater is tied closely to tourism, economic development and public health.
- The group was unanimous in its belief that the DG program needs to hold on to current GPR money.
- Legislative recognition helps stability of funding. Can there be parameters in statutory language to stabilize the funding so the Legislature won't cut it? Can we say at least a certain % has to come from State GPR money because there is a public benefit?

- If everyone is to pay for their own service or benefit, how do you support activities that benefit the state as a whole and no individual person/entity? Answer: GPR

Fees

- General consensus was that if there is a fee structure, it should be tied to specific services, paid for by the person/entity benefiting.
 - Example: Plan reviews, sampling, etc for direct services DG furnishes. Group thought was that people normally don't complain about paying for services they receive, especially when they can see the charge broken down.
 - Pay a flat dollar amount for example, so much per sample.
 - Charge a certain dollar amount per hour for work done.
 - Lump sum or flat fee applications will be easier and take less staff time to deal with.
 - Direct charges for certain classifications of services. DG could add administrative charge or surcharge if we need more money.
- Group discussed general program administration, to assure equity in all aspects of DG program and to have all users assume a "fair share of the cost".
- Should larger systems be charged larger fees? Input from external group was yes, because more work is required for large systems. There must be a rational relationship between services and fees. This also means there will be no surplus, nor can the money easily be used in other places than it is intended.
- Concerns
 - Equity—how to make fees equitable amongst systems of all size
 - If fees are allowed, GPR will be taken away; the group reiterated that this should not be the case. Fees were to be in addition to GPR, to pay for program activities and staff; not instead of GPR.
 - Has the Secretary & DNR made drinking water a priority? If they have not, and do not show that they will, the group cannot support a fee package.
 - If citizens have to approve fees on their water bills the earliest anything would happen is 2007.
 - Make sure that any fees collected are used for their intended purpose and not siphoned off for other activities; fee for services rendered might be a solution to this
 - Would Program fees or program revenues be supported by the Legislature?
 - Equity with other water programs in the DNR--that their costs are not paid for by DG fee program; if they need more \$, they implement their own fee package.

Next Meeting:

July 8 from 1-4

David won't be there, but will ask someone else to attend from the WWA

Boyd won't be there